

DDA 80-0257/2

21 FEB 1980

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Don I. Wortman
Deputy Director for Administration

SUBJECT: Doing More With Less

REFERENCE: Minutes of Executive Committee Meeting, 16 January 1980;
EXCOM 9014-80 dtd 24 Jan 80

1. You directed, at the 16 January 1980 Executive Committee meeting, that each of us review the subject of "Doing More With Less" with our staffs, report back to you with our comments, and identify initiatives we feel appropriate. In response, I had Ms. [] repeat her briefing for my office directors and senior staff, after which we thoroughly aired the subject of productivity and productivity improvement in the Directorate.

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2. As you are all too aware, offices in the Administration Directorate have been operating in a constrained resource environment for the last couple of years. While I am encouraged by the apparent ground swell of support that is building for the Agency, both within our society and on Capitol Hill, I don't yet see any positive indicators that suggest that my specific resource environment will significantly improve in the foreseeable future. As a result, then, our support offices will continue to be asked to do more with less. In this regard, I think that they have responded well to this challenge in the last year or two and I attribute this both to creative, innovative management and to a high degree of dedication and commitment throughout the Directorate workforce.

3. Every office in the Directorate maintains productivity statistics appropriate to their function. Without exception, they indicate that, at least over the short term, we are doing more with less. These statistics clearly indicate that requirements for our services are increasing, in most instances, at an increasing rate. At the same time, however, two factors are impacting on our ability to satisfy these requirements. The reduced availability of capital investment funds in recent years has limited our ability to introduce or continue the level of productivity-enhancing automation activities that are essential to doing more with less. In addition, we continue to fall victim to the effects of inflation--recently we have been losing purchasing power at the rate of some 4 percent of our non-personal services funds per year.

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4. Notwithstanding this fiscally-adverse environment our offices are, for the most part, satisfying customer requirements in an acceptable manner. They are doing so in a number of ways:

a. through capital investment in automated systems on a funding-available basis (e.g., Comptroller year-end reprogramming approval for the Automated Printing and Reproduction System [APARS]--\$1.6 million in September 1979--and for the three-year upgrade to the Cable Dissemination System--\$3.5 million beginning in June 1978);

b. through development of computer software systems by ODP. A critical step in this software development process is the conceptual modeling of both the way we now do jobs and the most effective way to do them if different--so as to ensure that we automate processes as they can most effectively and efficiently be performed; and

c. through creative, innovative management at the branch, division and office levels within the Directorate. An example here is the analysis of the policies, regulations, and procedures we follow. Are productivity constraints real and necessary or are they based on faulty or dated assumptions?

5. At the risk of losing your interest, it is important that you understand the environment that exists today in the Administration Directorate because it will help place in context my recommendations on your Doing More With Less Program, at least as it affects my offices. The only way Administration Directorate offices can continue to satisfy increasing user requirements is to . . . "do more with less." I presently have two formal productivity improvement programs in development in the Directorate. One is being conducted in the Printing and Photography Division of the Office of Logistics, where productivity standards are being formally established for each basic skill (all of which, by the way are unionized). The data being used to support each productivity standard is being drawn from the private sector and from the Printing Institute of America. Once established, these standards will be loaded into a computerized Management Information System (MIS) along with appropriate resource availability and job tracking data to maximize the effective utilization of resources and to measure the extent to which actual performance matched that anticipated. The completed MIS, due to commence full operation within the next month or so, will provide management with the following specific types of information.

a. Resource Allocation

(1) Job Scheduling: The ability to assign work and schedule job delivery dates for more accurate job throughput estimating.

(2) Job Tracking: The ability to retrieve current status and location of jobs to eliminate backlogs and bottlenecks.

(3) Job Costing: The ability to perform cost accounting and to compare estimated costs with actual costs.

(4) Workload Estimation: The ability to determine workloads throughout the division from information about job sizes, available manpower and machine capabilities.

(5) Service: The ability to tell not only whether jobs are completed on time, but also measurements are established concerning quality, production error-rates, and customer satisfaction.

b. Production Statistics: The ability to measure productivity of the various components of P&PD and reflect statistics in a monthly report showing figures for each month of the current fiscal year and an average for the last fiscal year. Statistics accumulated to date can be obtained at will.

c. Supply Inventory: The ability to keep track of supplies, purchase orders and receipts, and requisitions and issues. The system also provides a reflection of stock quantities on hand, stock level warnings, automatic stock reordering, dates of price changes and information on stock usage and vendor data for cost control.

6. The second formal productivity improvement program under development is the organizational creation of a Performance Evaluation Branch in the Office of Finance (OF). This component is being established to review and assess:

a. the effectiveness with which OF components discharge their responsibilities;

b. the effectiveness of internal OF policies, procedures, and automated systems;

c. the effectiveness with which decentralized budget and fiscal components discharge their responsibilities; and

d. the effectiveness and efficiency of individual OF positions as they are presently structured.

In essence, this activity will look at the ways in which jobs are structured and at the efficiencies and effectiveness with which responsibilities are being discharged compared with efficiencies and effectiveness that could be achieved with changes in job structures, procedures or policies. This group has been and will remain in touch with the Joint Financial Management Improvement Program (JFMIP). JFMIP is both sponsored and staffed by GAO, OMB, OPM, and the Department of the Treasury and its goal--improved financial management--is totally consistent with the Office of Finance's productivity improvement program.

7. These pilot activities have been conceived and are today being implemented in two of my offices. While each was conceived as an individual response to a constrained resource environment, I am integrating the reporting on and tracking of progress and results achieved in each so that they will form the nucleus of a directorate program on productivity improvement. My objective is to raise the productivity improvement awareness level in all of my offices in a positive, upbeat way so as to avoid, at all cost, sending signals that are perceived to be negative or threatening, or both, by my workforce. I propose to do this by:

a. establishing directorate-level MBO's for productivity enhancement;

b. reviewing the progress of these pilot activities with my office directors at regular intervals;

c. regularly stimulating my office directors, as will be done at an office directors conference to be held at the later this month; and

d. at appropriate intervals, share our progress and challenges with the other deputies, in an Executive Committee session or otherwise.

8. In sum, productivity improvement has been and will continue to be a way of life in the Administration Directorate. No single solution will provide the necessary results. Rather, we will need to continue to attack on several fronts simultaneously--capital investment in labor saving equipment, computerized support for labor intensive jobs, an on-going review of the ways in which we do our jobs, and the analysis of constraints, real or imaginary, that are imposed on us in doing jobs. Throughout we must ensure that we are sending positive, supportive signals to our most valuable resource, a loyal, committed, and already-productive workforce, without which we could not support the rest of the CIA as we are doing today. For these reasons I recommend that we pursue the first option in paragraph 10 of the reference--that of encouraging on-going activities. My Management Staff will be the Directorate point of contact for this program, but will monitor and provide a focus for this effort within its existing resources. Until these and similar activities develop further, I would be hard pressed to dedicate already-thin position authorizations to this effort or to encourage you to do so at the Agency level.

/s/ William N. Hart

Don I. Wortman

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